

# U.S. Customs and Border Protection Modernization

## September 2004 Monthly Newsletter

### Periodic Payment Gets Official Green Light

U.S. Customs and Border Protection (CBP) recently announced the successful completion of a pilot of new monthly statement and payment capabilities in the Automated Commercial Environment (ACE). Operational usage of the features was approved August 25, 2004.

All importers and brokers with established ACE accounts may now apply for access to the capabilities. Notices explaining how to activate the features have been distributed to the existing ACE accounts.

Approximately 350 CBP personnel and trade community representatives participated in the three-month pilot of periodic payment and other new ACE features, including ledger integration, notifications, alerts, and other enhancements to the ACE Secure Data Portal.

Similar to commercial credit card payment processes, ACE participants can review a monthly listing of their daily account statements and make monthly payments via the Automated Clearing House (ACH) electronic

funds transfer system. The first monthly statements in the 215-year history of the legacy U.S. Customs Service were generated in July for importers and their designated brokers participating in the periodic payment test.

Approximately \$27.7 million in duty collection was paid on September 15, 2004, via the periodic monthly statement.

Previously, since the Customs Service was created in 1789, importers paid duties on their goods one entry at a time. The availability of periodic statement and payment features continues the CBP transition to account-based processing.

Approximately 150 requests for ACE account applications have been received from importers, brokers, and carriers. The number of new ACE accounts is expected to grow quickly over the next few months.

"ACE has lots of different facets and this is a really exciting time of change especially when the changes enhance the security aspect for this country" said Managing Director, Regulatory Compliance, FedEx Trade Networks Leman (Chip) Bown.

### ACE on the Road

September 9-10: Customs Operations Advisory Committee (COAC) meeting, Buffalo, N.Y.

September 26-30: American Association of Port Authorities Annual Conference, Long Beach, Calif.

September 29: Project World Exhibition and Conference, McLean, Va.

October 1: Texas Brokers Conference, South Padre Island, Texas

October 6-8: Virginia Conference on World Trade, Norfolk, Va.

### ACE Headed for the Front Line

Automated truck manifest capabilities are coming soon to the seven busiest U.S. land border ports. A pilot of the e-Manifest: Trucks feature is scheduled to begin at the first port this fall. Manifest capabilities will be expanded on a port-by-port basis.

"The automated truck manifest capability is where the rubber meets the road in the ACE program," said CBPMO Business Executive Lawrence J. Rosenzweig. "We begin to reach the various ports in a major way and to dramatically increase the number of users."

The new e-Manifest: Trucks features support the twin goals of CBP, keeping America's borders

**U.S. Customs and Border Protection Modernization Office (CBPMO)**

**703-440-3000 • [cbpmo@dhs.gov](mailto:cbpmo@dhs.gov)**

**<http://www.cbp.gov/xp/cgov/toolbox/about/modernization/>**

secure while expediting legitimate trade. It includes new homeland security capabilities, and a single system for truck release.

The Federal Motor Carrier Safety Administration (FMCSA) of the Department of Transportation comes on board ACE with the launch of the truck manifest capabilities. A key achievement of the International Trade Data System through which federal agencies participate in ACE, the FMCSA participation in ACE marks the initial opening of the single window to government concept.

The e-Manifest: Trucks capability enhances border security, from providing the ability to pre-screen manifest data, to allowing more time for CBP officers to locate and examine high-risk shipments at primary inspection stations. Electronic tracking of non-compliance issues will be provided through ACE, allowing CBP officers to research, track, and manage instances of potential or actual non-compliance with trade laws.

Through the ACE Secure Data Portal, all release data will be displayed through one easy-to-use portal screen, giving CBP officers a comprehensive view of enforcement and transaction history. It is anticipated this will reduce the time CBP officers have to spend on administrative paperwork and eliminate the need to toggle between each legacy system. It will give officers more time to analyze release information and observe potential risks.

The first seven ports designated to receive automated truck manifest capabilities will be: Blaine, Wash.; Buffalo and Champlain, N.Y.; Detroit and Port Huron, Mich.; Laredo, Texas; and Otay Mesa, Calif.

A combination of hands-on, instructor-led, and computer-based training will be provided to CBP personnel who will be using the manifest features. Beginning this month, ACE Ambassadors will be holding outreach events to introduce the new features before training begins. Supervisory information briefings and staff information briefings will also be provided as part of the introduction to e-Manifest: Trucks capabilities.



## **ACE Ambassador Spotlight**

Supervisor Entry Specialist Sonia Hodggers enjoys the various enforcement and administrative challenges she faces

daily in the CBP entry division, where she sees “the global picture of trade.” A Calexico, Calif. native, Hodggers has spent her 19-year CBP career between the downtown port at Calexico West and now the newer Imperial Valley Port of Entry in Calexico East.

“One of the challenges I am working on is fee consolidation of legacy agencies into one electronic collection system,” said Hodggers.

Hodggers views ACE as an electronic system that will benefit CBP entry processing. “The periodic payment feature in ACE is going to change the way we conduct our business with brokers and importers,” said Hodggers. “This new technology introduces a new way to communicate with the trade community and makes it easier to find quick solutions to address issues that arise.”

One of Hodggers’ favorite ACE features is the electronic action plan, which will be extended to brokers this fall. “The action plan outlines the issues and risks and solutions to improve compliance with the trade community,” she said.

Hodggers recently demonstrated ACE periodic payment features to Customs House Brokers, where the reaction was positive. “The change in method of payment excited them and it benefits their importers,” said Hodggers. “They like the reconciliation of periodic monthly statements.”

Now Hodggers is looking forward to truck manifest capabilities and how they will help enforcement. “Can’t wait to see it,” she said.

**U.S. Customs and Border Protection Modernization Office (CBPMO)**

**703-440-3000 • [cbpmo@dhs.gov](mailto:cbpmo@dhs.gov)**

**<http://www.cbp.gov/xp/cgov/toolbox/about/modernization/>**